Active Members | JUNE 2026

PSRS for your Benefit

PUBLIC SCHOOL RETIREMENT SYSTEM OF MISSOURI

2026 Legislative Session Ends: No Legislation Passes that Directly Impacts PSRS/PEERS

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2026 Legislative Session Ends: No Legislation Passes that Directly Impacts PSRS/PEERS

During the 2026 Missouri legislative session that began Jan. 7, 2026, the General Assembly introduced more than 3,000 pieces of legislation. PSRS/PEERS closely monitored over 150 of them.

The session concluded on May 15, 2026. Lawmakers sent more than 100 bills to the governor's desk, including more non-appropriations bills than have been sent during last two legislative sessions combined. No legislation passed this session that directly impacts PSRS/PEERS.

> "With the close of the legislative session, I want to acknowledge the diligence, oversight, and advocacy efforts of our legislative team. They work tirelessly supporting our mission to provide retirement security and peace of mind for members of Missouri's education community."
>
> – Dearld Snider, PSRS/PEERS Executive Director

Provisions We Tracked

PSRS/PEERS tracked several pieces of legislation that did not pass, including:

PEERS Critical Shortage Expansion (HB 2091)

This House bill would have expanded the types and number of positions districts could fill using retired PEERS members under Critical Shortage Employment rules. It would have broadened employment options for retirees while maintaining employer contribution requirements.

COLA Cap Changes (HB 2095 and SB 1779)

These bills proposed updates to the PSRS/PEERS COLA cap. Under current law, the COLA cap is fixed at 80% of a member's original benefit. These bills would have provided a 2% supplementary payment for COLA-capped retirees only in years when the PSRS/PEERS Board of Trustees granted a regular, inflation-based COLA and PSRS/PEERS earned 2% or more above its investment return goal of the year.

PSRS Death Benefit Increase (HB 2144)

This House bill would have raised the one-time PSRS retiree death benefit to $10,000 for deaths occurring on or after Aug. 28, 2026.

PSRS Critical Shortage and Working After Retirement Changes (HB 2396)

This House bill would have allowed districts to hire PSRS retirees without first declaring a critical shortage. It also would have:

- Removed limitations on the number of full-time positions that may be filled this way
- Required employer contributions
- Maintained that retirees continue receiving benefits without accruing new service
- Permitted districts to reduce the salary paid by a percentage equivalent to an active teacher's retirement contribution percentage

SLPs Recognized as PSRS "Teachers" (HB 3079)

This House bill would have designated school speech language pathologists as "teachers" for PSRS membership, with DESE issuing the necessary certification.

Higher Multiplier for PSRS 33+ Years (SB 1258)

This Senate bill would have increased the PSRS multiplier to 2.6% for members retiring with 33+ years of service.

How a Bill Becomes a Law in Missouri

From the first draft to the governor's desk, Missouri bills follow a detailed path before they can become law. Here is an overview of how it works.

Bill Drafting and Introduction

A bill begins when a Missouri legislator — either a state representative or a state senator — drafts a proposal to change Missouri law. Legislators work with legal staff to write the bill. Once introduced in the Missouri House of Representatives or Missouri Senate, the bill receives a number and is read for the first time. This formal reading starts the legislative process.

Committee Assignment and Review

The bill is assigned to a committee that focuses on its subject matter, such as education, pensions, or appropriations. Committees often hold public hearings where citizens, advocacy groups, and state agencies can provide testimony.

After reviewing the testimony and discussing the bill, the committee may suggest changes, known as amendments. The committee then votes on whether to return the bill to the full chamber. Bills that do not pass committee do not continue.

Floor Debate and Voting

If approved by the committee, the bill returns to the full House or Senate for debate. Legislators may discuss the bill, offer additional amendments, and vote. A bill must receive a constitutional majority to advance.

Once passed, it moves to the other chamber, where the same process — introduction, committee review, and floor debate — occurs again. Both chambers must pass the same version of the bill.

Resolving Differences

If the House and Senate approve different versions, a conference committee may be formed. This small group of legislators works to agree on one final version. The compromise bill must then be approved again by both chambers.

Governor's Action

After both chambers approve identical language, the bill is sent to the governor. The governor may:

- **Sign the bill,** making it law.
- **Veto the bill,** returning it to the legislature. Lawmakers may override a veto with a two-thirds vote in both chambers.
- **Take no action.** If the governor does not act within the constitutional time frame, the bill becomes law without a signature.

Effective Date

Most new laws take effect on Aug. 28 of the same year unless the bill specifies a different date. Bills with an emergency clause take effect immediately upon approval.

Steady Investing in an Uncertain Market

The fiscal year reporting period for the Public School and Education Employee Retirement Systems of Missouri (PSRS/PEERS) ends each June 30. Through the first 10 months of the fiscal year, the Systems' investments earned an estimated 9.9%. While this investment return is solid, the journey to achieving it was quite volatile. In early 2026, many U.S. and global stock markets dropped more than 10% due to geopolitical shocks, entering "correction" territory. However, markets rebounded significantly in April due to AI enthusiasm and resilient economic data. Although ongoing market volatility makes it difficult to predict results for the remainder of the fiscal year, the Systems remain well-positioned for long-term success.

Financial markets function best when the economic outlook is clear. When uncertainty rises, volatility often follows — and that has certainly been the case in 2026. Several powerful forces are pulling markets in different directions. On one hand, the AI revolution is delivering record-breaking gains in some technology sectors. On the other hand, global conflicts and changes in global monetary policy have led to unexpected market swings.

One major source of market turbulence is conflict in the Middle East, particularly involving Iran. Damage to important oil facilities and a temporary closure of the Strait of Hormuz caused oil prices to jump as high as $119 per barrel. Persistently high energy costs could reignite inflation and lead to less consumer spending and slower economic growth in the United States.

Domestically, the United States is managing several transitions at once. There is new leadership at the Federal Reserve, uncertainty surrounding tariffs, and signs of softening in the labor market. Layoffs at large companies have pushed unemployment to 4.3%. The growth of AI data centers is also straining power grids, raising concerns about future energy costs. All these issues have contributed to larger-than-normal market swings (both positive and negative).

Uncertainty may continue for a while, but history shows that volatile periods can lead to renewed stability — and opportunity. PSRS/PEERS uses a long-term investment approach designed to navigate challenging times like these.

A Long-Term Investment Strategy

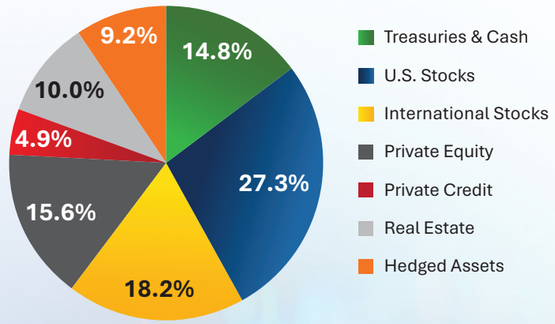
PSRS/PEERS invests with a long-term view. As a large institutional investor, we can invest over a 30-year time horizon because we have significant assets to cover current obligations. As a result, today's environment can present us with good opportunities. When stock prices fall (as in March, for example), we can buy strong companies at lower prices. When stock prices rise (as in April), we can sell companies to raise cash to aid in making benefit payments.

History shows that long-term, patient investing during both downturns and up markets can lead to solid results. We remain committed to this approach and confident it will support stable outcomes for our members and employers.

Strength Through Diversification

We believe the best long-term results come from investing in many types of assets. This is called diversification, and it helps reduce risk. As the Nobel Prize-winning economist Harry Markowitz said, "Diversification is the only free lunch in investing." When investments do not all move the same way at the same time, losses in one area may be balanced by gains in another.

PSRS/PEERS Asset Allocation as of April 30, 2026



The PSRS/PEERS portfolio includes a wide mix of public and private investments from around the world. In 2026, this balance has been especially important as markets moved dramatically, both positively and negatively. For the fiscal year, publicly traded stocks have posted double-digit returns and the Systems have benefited from that ownership. Allocations to other asset classes, such as private credit and hedged strategies, have also been additive in smoothing the total PSRS/PEERS return for the year. This result shows the strength of a well-diversified portfolio.

Diversification, paired with a long-term focus, supports more stable results. It helps smooth market ups and downs and protects our ability to provide strong, dependable retirement benefits for our members.

Proof of Resilience

Our steadfast investment strategy and commitment to diversification keep PSRS/PEERS on solid ground, even during uncertain times. Although we do not expect to meet our 7.3% long-term goal[1] every year, we stay focused on long-term results. Over the past 10 years, our annualized total return has been 9.5%, which is higher than both our long-term investment objective and our policy benchmark return[2] of 8.7%.

Through discipline, patience, and a focus on the future, we remain confident in our ability to support the retirement security of our members for years to come.

By the Numbers

The market value of invested assets for PSRS and PEERS combined was approximately **$67 billion** on April 30, 2026. This makes the joint PSRS/PEERS entity larger than all other public retirement plans in Missouri combined and the 47th largest defined benefit plan in the United States.

For the latest PSRS/PEERS investment news, visit us on the web at **www.psrs-peers.org**.

[1] The Board of Trustees long-term investment return objective of 7.3% was adopted and became effective July 1, 2021.

[2] The plan policy benchmark is a standard to measure investment performance and indicates the return of the PSRS/PEERS asset allocation if passive market rates of return were achieved.

Summer Is the Perfect Time to Plan Your Retirement

Summer break is a chance to relax, recharge, and look ahead. Preparing for retirement will help you feel on top of things going forward, and an easy way to prepare is by attending a **Retirement Ready Seminar**. Designed for members who will reach retirement eligibility within five years, these sessions provide a complete overview of what you need to know before you retire.

What You'll Learn

Our benefits experts will guide you through essential topics, including:

- Retirement eligibility
- Benefit plan options
- Income tax considerations
- Working after retirement
- And more!

RetireSmart
Retirement Ready

Every attendee receives a personalized ***Benefit Estimate*** and a comprehensive workbook to reference later — valuable tools to help you make informed decisions.

Join Us In-Person or Online

We offer in-person seminars across Missouri. Prefer to attend from home? Our virtual seminars deliver the same expert guidance in a convenient online format. Spots fill quickly, so register early. Log in to Web Member Services at **www.psrs-peers.org** or call **(800) 392-6848** to reserve your spot.

Upcoming Retirement Ready Seminars

Time	Date	Location	Address	Registration Deadline
1 p.m.	June 24	Stoney Creek Inn - St. Joseph	1201 N. Woodbine Rd., St. Joseph	Call to Register
10 a.m.	June 30	PSRS/PEERS Office	3210 W. Truman Blvd., Jefferson City	Call to Register
10 a.m.	July 2	Fort Osage High School Media Center	2003 N. Twyman Rd., Independence	Call to Register
10 a.m.	July 7	Maryville Centre Office Park, Bldg. 635	635 Maryville Centre Dr., St. Louis	June 23
1 p.m.	July 9	Cape Girardeau Career & Tech Center	1080 S. Silver Springs Rd., Cape Girardeau	June 25
10 a.m.	July 15	Blue Springs South High School Performing Arts Center	1200 S.E. Adams Dairy Pkwy., Blue Springs	July 1
10 a.m.	July 21	Ritenour High School Lower Lobby	9100 St. Charles Rock Rd., St. Louis	July 7
1 p.m.	July 22	PSRS/PEERS Office	3210 W. Truman Blvd., Jefferson City	July 8
10 a.m.	July 28	Ozarks Technical Community College - Lincoln Hall, Room 211	815 N. Sherman Ave., Springfield	July 14
10 a.m.	July 29	Joplin East Middle School Auditorium	4594 E. 20th St., Joplin	July 15

Upcoming Virtual Retirement Ready Seminars

Time	Date	Location	Registration Deadline
1 p.m.	June 23	www.psrs-peers.org	Call to Register
10 a.m.	July 14	www.psrs-peers.org	June 30
5 p.m.	Aug. 26	www.psrs-peers.org	Aug. 12

Need Information on a Specific Topic? Join a Webinar!

Unlike our Retirement Ready Seminars, our webinars target members in all career stages. Join live to ask questions in real time, or register and wait for us to email a recording that you can watch anytime within two weeks. Check out the current schedule at **www.psrs-peers.org**.

Featured Topic Webinars

Want to know more about purchasing service, filing for retirement, or understanding your ***Benefit Estimate***? Our Featured Topic Webinars dive into the questions members ask most.

Real Talk Webinars

Pressed for time? Real Talk Webinars deliver quick, focused insights in just 15–20 minutes so you can stay informed without a big time commitment.

We Come to Schools!

School administrators can request Member Education for on-site professional development by calling **(800) 392-6848** or emailing **Member_Education@psrsmo.org.**

Been Out on Leave? Make It Count Toward Retirement

If you missed work for military leave, unpaid sick leave, or workers' compensation, you may be able to purchase service for the missed time.

The cost for leave-based purchases is based on the salary you would have earned and the contribution rate during your leave. You pay the employee share; your employer pays the employer share.

Leave-based purchases usually cost members less than formula-based purchases. The trick? Meeting the deadlines. Here's what you need to know:

Military Leave (USERRA)

If you served under the federal Uniformed Services Employment and Reemployment Rights Act and then returned to work with the same employer, you can purchase service for your leave.

Even if you don't purchase the service, the time counts toward vesting and retirement eligibility. If you do purchase it, it also counts toward your total service for calculating your benefit.

Deadline: Apply within five years of reemployment.

Unpaid Sick Leave and Workers' Compensation

You can also purchase service for unpaid sick leave, including maternity or paternity leave, or workers' compensation leave.

Deadline: Complete payment within two school years after your leave. For example, if your leave was in the 2024-2025 school year, the deadline is June 30, 2027.

Contact your employer to confirm eligibility and arrange payment. Don't wait!

Early or Normal Retirement: Which Path Fits You Best?

One of the biggest choices members face is whether to retire early or wait until normal retirement eligibility. Each option has advantages and trade-offs, and the right choice depends on your retirement goals.

What's the Difference?

Normal retirement requires reaching at least one of these milestones:

- Age 60 with five years of service,
- 30 years of service at any age, or
- Your age plus years of service equals 80 (Rule of 80).

Normal retirement means you receive your full, unreduced benefit.

Early retirement means retiring before reaching normal eligibility. That could mean retiring as early as age 55 with at least five years of service, or under the "25-and-Out" modified plan if you have 25 years of service but are younger than 55. The catch? Your monthly benefit will be reduced — and that reduction lasts for life.

You can become eligible for early or normal retirement with either an active or inactive membership.

Questions to Ask Yourself

- **Can I afford the financial trade-off?** Retiring early means smaller monthly payments, but you'll start receiving them sooner. If you have other income sources or plan to work elsewhere, early retirement might make sense.
- **What about health insurance?** Medicare doesn't start until age 65, so you'll need coverage if you retire before then. Options may include staying on your employer's plan, using a spouse's coverage, or shopping the marketplace.
- **Am I ready for the lifestyle change?** Do you have plans for how you'll spend your time? Many retirees say having a vision for the next chapter makes the transition easier.
- **Will my budget work?** Some retirees return to work part-time to cover costs like insurance. You can work for non-PSRS-covered employers without limits, but returning full-time to a PSRS-covered employer is restricted unless under the Critical Shortage provision or temporary waiver on limits for substitute teachers.

Real-Life Examples

Example 1: Jennifer

Consider Jennifer, an active member, age 51 with 25 years of service. If Jennifer retires now under 25-and-Out, her benefit will be reduced but will start two years earlier. If she continues earning service for two more years, she will qualify for normal retirement under Rule of 80 (53 + 27 = 80) and will receive a full monthly benefit for life.

Which is better? It depends on Jennifer's financial goals and readiness.

Example 2: Brett

Now consider Brett, an inactive member, age 55 with six years of service from a job he left 10 years ago. If Brett files for early retirement now — having reached age 55 with at least five years of service — he will receive a reduced benefit.

If he waits five years and files for normal retirement at age 60, he will receive a full benefit for the rest of his life.

Again, the right choice depends on what Brett wants from his retirement.

Bottom Line

There's no universal answer on the best time to retire. Explore your options, run benefit estimates, and consider counseling sessions to review your choices. Retirement planning is about timing, goals, and what works best for you.

Dive Deeper

Want to learn more? Catch these episodes of our ***Benefit Connection*** Podcast:

Benefit Connection PODCAST SERIES

Scan to watch!

Episode 11: Early vs. Normal Retirement

Episode 13: Rethinking Retirement: Choosing to Work Beyond Retirement Eligibility

Plan Ahead with Benefit Estimator

Our online Benefit Estimator helps you compare different retirement paths. It's quick, personalized, and available anytime through Web Member Services.

Access the Estimator

Log in to Web Member Services and select *Benefit Estimator* under the *Benefit Estimates* menu. You can also view past estimates or request one from us.

Customize Your Scenario

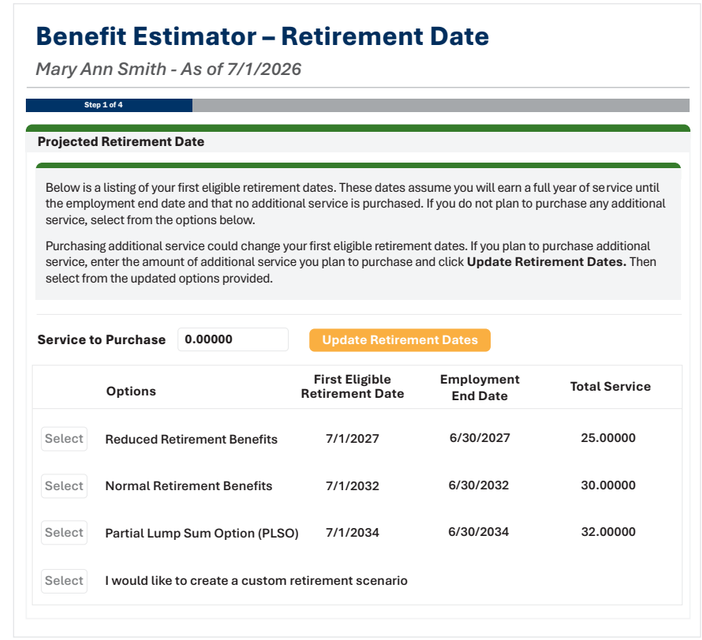
Choose your retirement option — such as "Earliest Eligible Date for Reduced Benefits" or "Normal Benefits" — and then enter a retirement date, an employment end date, and salary details. The estimator uses this information to calculate your projected benefit.

Compare Your Options

Run estimates for different retirement dates, years of service, and salary assumptions. See how retiring early versus waiting for full eligibility affects your monthly benefit and lifetime income. Create as many estimates as you like.

Review and Plan

Check key figures like your monthly benefit and potential beneficiary benefits. Use these insights to weigh trade-offs and plan confidently.



Benefit Estimator – Retirement Date

Mary Ann Smith - As of 7/1/2026

Step 1 of 4

Projected Retirement Date

Below is a listing of your first eligible retirement dates. These dates assume you will earn a full year of service until the employment end date and that no additional service is purchased. If you do not plan to purchase any additional service, select from the options below.

Purchasing additional service could change your first eligible retirement dates. If you plan to purchase additional service, enter the amount of additional service you plan to purchase and click **Update Retirement Dates.** Then select from the updated options provided.

Service to Purchase 0.00000 Update Retirement Dates

	Options	First Eligible Retirement Date	Employment End Date	Total Service
Select	Reduced Retirement Benefits	7/1/2027	6/30/2027	25.00000
Select	Normal Retirement Benefits	7/1/2032	6/30/2032	30.00000
Select	Partial Lump Sum Option (PLSO)	7/1/2034	6/30/2034	32.00000
Select	I would like to create a custom retirement scenario			

Gassmann, Perschall Retain Board Seats

The PSRS/PEERS Board of Trustees will continue benefiting from the experience of Allie Gassmann and Amanda Perschall, who have retained their seats after running unopposed in this year's Board election.

Allie Gassmann

Amanda Perschall

Gassmann's seat is designated for an active PEERS member, while Perschall's seat must be held by an active PSRS member.

To run for a Board seat, candidates are required to gather and submit petitions with at least 200 member signatures from at least four of Missouri's eight Congressional districts, as well as a total of at least 1,000 signatures.

An audit committee reviewed the nominating petitions received and certified to the Board of Trustees the names of the nominated candidates. Because no other candidates submitted certified petitions, Gassmann and Perschall retained their seats without an election. Their new four-year terms will run from July 1, 2026, through June 30, 2030.

Knes, Park Re-Elected to Leadership Positions

Beth Knes

Dr. Eric Park

At its April meeting, the PSRS/PEERS Board of Trustees voted to re-elect Beth Knes as chair and Dr. Eric Park as vice chair for the 2026-2027 school year (July 1, 2026, to June 30, 2027).

Knes is a governor-appointed trustee who joined the Board in 2017. She retired from public education in 2014 with more than 20 years of service.

Dr. Park is a governor-appointed trustee who joined the Board in 2021. He is an investment professional with 30 years of experience and is co-founder of an LPL Financial office in Washington, Missouri.

"Beth and Eric have consistently demonstrated strong commitment and sound judgment in their roles," said PSRS/PEERS Executive Director Dearld Snider. "Their continued leadership will be invaluable as we work together to support the long-term strength and stability of the Retirement Systems."

DID YOU KNOW?

We post Board meeting summaries and official minutes on our website!

Visit **www.psrs-peers.org/About-Us/Board**.

Board Maintains 3.5% Interest Rate on Contributions

The Board voted in April to maintain the interest rate for active members' contributions at 3.5% for the 2026-2027 school year.

How Interest Works

Interest is added to your membership each year on June 30. It's calculated on the total amount in your membership as of the previous June 30. This amount includes your contributions plus any interest already earned. Interest continues to accrue until you retire, take a refund, leave covered employment for five straight years without being vested, or pass away.

Why the Interest Rate Matters

Your earned interest does not affect your monthly retirement benefit. However, earned interest matters if you:

- Take a refund of your contributions and interest, paid as a lump sum, or
- Have a beneficiary who receives a lump-sum payment after your death.

How the Rate Is Set

Each April, the Board reviews current interest rates on deposit accounts and short-term securities. This ensures the rate is similar to what you would earn with a savings account or something comparable.

Interest on Reinstatements and Service Purchases

The Board also voted to keep the interest rate at 7.3% for reinstating forfeited service and certain service purchases. This rate matches the Systems' assumed rate of return and helps recover earnings PSRS/PEERS could have made if the member's original contributions had remained invested.

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Planning to Retire July 1? Apply by June 30!

To begin your retirement on **July 1**, make sure your ***Service Retirement Application Packet*** is submitted or postmarked by **June 30**.

The Easiest Way To Apply?

Online! It's simple, secure, and convenient. Log in to Web Member Services: **https://wms.psrs-peers.org.**

Contact Us

VISIT

PO Box 268 | 3210 W. Truman Blvd.
Jefferson City, MO | 65102-0268

ONLINE

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Web www.psrs-peers.org

BY PHONE

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